



CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE

June 20, 2013

H.R. 697

Three Kids Mine Remediation and Reclamation Act

As ordered reported by the House Committee on Natural Resources on June 12, 2013

H.R. 697 would require the Bureau of Land Management (BLM) to sell 950 acres of federal land, some of which are contaminated by hazardous waste, to the city of Henderson, Nevada. Under the bill, the agency would determine the sale price by estimating the fair market value of the land and reducing that amount by the estimated cost of any necessary environmental remediation and mining reclamation activities at the site. The city of Henderson would be responsible for those costs following the sale. Based on information from BLM, CBO estimates that implementing the legislation would have no significant impact on the federal budget. Enacting the bill would not affect direct spending or revenues; therefore, pay-as-you-go procedures do not apply.

Roughly 15 percent of the lands that would be sold under the bill are contaminated and will require mine reclamation and environmental remediation. Based on information provided by BLM and the city of Henderson, CBO estimates that the agency is unlikely to receive any financial compensation for any of the land because remediation and reclamation costs would exceed the land's fair market value. Because CBO expects that the affected lands would not generate any receipts under current law over the next 10 years, we estimate that conveying the lands under the bill would have no significant impact on the federal budget.

H.R. 697 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would not affect the budgets of state, local, or tribal governments.

The CBO staff contact for this estimate is Jeff LaFave. The estimate was approved by Theresa Gullo, Deputy Assistant Director for Budget Analysis.